

bankers had extensive balances in England which they endeavoured to bring home: hence bills on London were offered in such numbers in Paris that their price, as expressed in francs, fell heavily, as I have mentioned, so that gold was transhipped to Paris as the only available mode of remittance.

We return now to the questions with which we started. The foreign bill of exchange (as utilised in modern commerce) is ampler than the mode of remittance mentioned above. It is generally drawn as payable—not at sight, but—two or three months after sight, *i. e.* after the date on which, when it reaches London, it is presented to the person on whom it is drawn, for acceptance. The bill is customarily sold in the country in which it is drawn, to a banker or exchange-dealer: despatched by him to his representative in London, it is (after acceptance) sold, *i. e.* discounted at a bank by the representative: so soon as it becomes due its payment must be effected either by the British importer of the commodities (if drawn upon him) or by the bank or "accepting" house which\* such importer has induced (in consideration of a commission) to accept the bill. The acceptor in the latter case is termed an "accepting" house, and through his well-known name and reputation, his acceptance confers a superior financial rank upon the quality of the draft, and hence enables it to secure a readier market for sale and on higher terms. Bills bearing the name of such a house are currently described as "Fine Paper." Thus, until the bill has reached maturity, the importer possesses a credit for business transactions equivalent to its amount, and time afforded to him to dispose of the goods which have been received (and which the bill expresses), while, concurrently, the bill provides a sound investment for the discounting bank. But these are claims *upon* England, it is retorted, and do not involve a power of call for foreign money—indeed, the demand is upon England itself. That is true; but in addition to such bills (charged upon the shipment of goods hither), a large number of bills are

drawn upon London without any transmission of commodities to England constituting their basis and warrant. For—as particularised by a recent writer—the financial